

BILL ANALYSIS

H.B. 239
By: Capriglione
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties contend that exempting precious metal held in the Texas Bullion Depository from property taxes will attract more deposits to the depository, thereby generating more revenue. H.B. 239 seeks to provide for such a property tax exemption.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 239 amends the Tax Code to entitle a person to an exemption from property taxation of the precious metal that the person owns and that is held in the Texas Bullion Depository, regardless of whether the precious metal is held or used by the person for the production of income. The bill prohibits the governing body of a taxing unit from providing for the taxation of precious metal so exempted and makes such an exemption effective immediately on qualification for the exemption. The bill applies only to a tax year beginning on or after January 1, 2018.

EFFECTIVE DATE

January 1, 2018, if the constitutional amendment authorizing the legislature to exempt from ad valorem taxation precious metal held in the Texas Bullion Depository is approved by the voters.